



10TH ANNUAL REPORT

CONFEDERATION OF THE MICRO, SMALL AND MEDIUM ENTERPRISES



FEDERATION HOUSE, TANSEN MARG , NEW DELHI - 110001

ANNUAL REPORT FICCI CMSME FOR 2023-24

CONTENTS

PART.....

| | |
|--|----|
| COMMITTEE..... | 01 |
| ACTIVITIES OF THE CONFEDERATION DURING THE YEAR..... | 03 |
| KNOWLEDGE PAPERS AND INPUTS SUBMITTED TO THE GOVERNMENT..... | 14 |
| REPRESENTATION IN GOVERNMENT COMMITTEES..... | 17 |

ANNEXURE I.....

| | |
|--|----|
| MEMBERS OF THE CONFEDERATION OF MSMES..... | 18 |
|--|----|

PART II.....

| | |
|--------------------------|----|
| FINANCIAL STATEMENT..... | 21 |
|--------------------------|----|

COMMITTEE

In accordance with Section 20 of the Societies Registration Act of 1860 of the rules and regulations of the Confederation of Micro, Small and Medium Enterprises (CMSME), the committee presents to the 10th Annual General Meeting, the report of the organization for the year 2023-24.

As per the MoA of the Confederation of Micro, Small and Medium Enterprises (CMSME), third election of the Executive Committee was held on 18th September 2023. **Mr Girish Luthra, Chairman, Luthra Group of Companies, and Ms Harjinder Kaur Talwar Managing Director & Chief Executive Officer**, Commission India Private Limited were elected as President and Vice President of the Confederation respectively for three years **2023-2026**.

The Executive Committee members list for 2023-2026, including the newly added members as approved in the EC meeting dated 26th July 2024, is appended below

| S.No | Name | Designation & Company | FICCI CMSME Position |
|------|---------------------------|--|---|
| 1 | Mr. Girish Luthra | Chairman, Luthra group of companies and Green gene enviro and infrastructure ltd | President / EC Member/ Patron Member |
| 2 | Ms. Harjinder Kaur Talwar | Managing Director & Chief Executive Officer | Vice- President/ EC Member |
| 3 | Mr. Ramaswamy Narayan | Founder & Chief Executive Officer, Power2SME Private Limited | Immediate Past President, EC Member |
| 4 | Ms. Jyoti Vij | Director General, FICCI and Secretary General, FICCI - CMSME | Secretary General, CMSME |
| 5 | Mr. Chetan Bijesure | Assistant Secretary General, FICCI | Secretary, FICCI-CMSME |
| 6 | Ms. Deepti Pant | Joint Director and Lead-MSME | Treasurer, FICCI-CMSME |
| 7 | Mr. Sanjay Bhatia | Managing Director, Hindustan Tin Works Limited | EC Member |
| 8 | Mr. Rajkumar Chhajer | Chairman, ArcVac ForgeCast Pvt. Ltd. | EC Member |
| 9 | Ms. Umadevi Reddy | Managing Director, Hitech Magnetics & Electronics Private Limited | EC Member |
| 10 | Dr. Vinod Chopra | Managing Director, Sai Industrial Alliances (India) Private Limited | EC Member |

| S.No | Name | Designation & Company | FICCI CMSME Position |
|------|--------------------------|--|---|
| 11 | Mr. Srihari Balakrishnan | President, Kannapiran Mills Limited and MD, KG Fabriks Ltd. | EC Member |
| 12 | Dr. H. P. Kumar | Former CMD – NSIC and Director, Power2SME | EC Member |
| 13 | Mr. Anupam Prasad | CEO, Ancor Research Labs LLP | EC Member |
| 14 | Mr. Alok Mittal | Managing Director, Indifi Technologies Private Limited | EC Member |
| 15 | Dr. Rajeshkumar Acharya | Proprietor, H K Acharya & Company | Patron Member |
| 16 | Mr. Dhruv Sabherwal | Partner, Alps International Exports | Patron Member |
| 17 | Mr. Ankit Patel | Managing Director, Rajiv Engineers | EC Member |
| 18 | Mr. Pradeep Misra | CMD, Rudrabhishek Enterprises Limited | EC Member |
| 19 | Mr Rampawan Kumar | Chair, FICCI CMSME Punjab & Managing Director, LBM Solutions Pvt. Ltd | Chair, FICCI CMSME Uttar Pradesh and EC Member |
| 20 | Mr.Mandeep Singh | Co-Chair, FICCI CMSME Punjab & CEO, Mysense Technologies Pvt Ltd | Co-Chair, FICCI CMSME Uttar Pradesh and EC Member |
| 21 | Mr.Neeraj Singh | Chairman, UP Yoga Association, National Chair (Youth)- Bharat-Tibet Samanvay Sangh | Chair, FICCI CMSME Uttar Pradesh and EC Member |
| 22 | Mr Pradeep Karmbelkar | CMD. Vision Invest Tech Pvt Ltd | Chair, Madhya Pradesh Committee and EC Member |
| 23 | Ms Meetu Kohli | Founder, Dimensions Furniture and Lifestyle Store | Co- Chair, Madhya Pradesh Committee and EC Member |

M/s CPA & Associates was appointed as Auditor of the Confederation of MSME for the year 2023-24. However, remuneration is to decided by mutual consent.

Membership of Confederation: The total number of members on the rolls of the confederation as on 31.03.2024 was 116 comprising, 109 associate members, 05 Patron members and 02 organization members.

ACTIVITIES OF THE CONFEDERATION (SINCE APRIL 2023 TO MARCH 2024)

WORKSHOP ON SIMPLIFYING SUSTAINABILITY FOR MSMEs

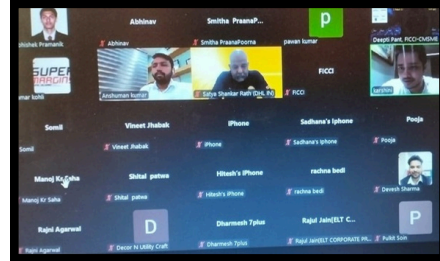
On December 14, 2023, FICCI Centre for Sustainability Leadership hosted a virtual workshop titled "Simplifying Sustainability for MSMEs: The What and Why of Sustainability." This session aimed to enhance awareness and understanding of core sustainability concepts and Environmental, Social, and Governance (ESG) criteria among small and medium enterprises (SMEs).

The workshop featured two distinguished speakers: Mr. Prashanth Venkatesh, Head of Sustainability-India at Hindustan Unilever, and Mr. Shankar Venkateswaran, Co-Founder and Managing Partner of Sustainability Integration at ECube Investment Advisors. Their insights provided valuable perspectives on the significance of sustainability in the business context.

Key discussion points included the strategic importance of integrating sustainability into business operations, identifying and addressing global risks affecting businesses, and implementing sustainable practices within the supply chain. Additionally, the workshop covered emerging reporting requirements for value chains, equipping participants with knowledge to navigate the evolving landscape of sustainability.

This initiative underscores FICCI's commitment to fostering sustainable practices among MSMEs, helping them understand and adapt to the changing demands and opportunities in the realm of sustainability.

E-MASTERCLASS ON E-COMMERCE



The **FICCI CMSME National Webinar**, held on May 23rd, 2024, was designed to explore the vast potential of e-commerce exports for Indian SMEs and start-ups. With India's e-commerce export industry currently valued at \$1 billion annually and projected to grow to \$400 billion in the next 6-7 years, the webinar highlighted the critical role of digital trade in expanding global business reach for Indian enterprises.

The event featured distinguished speakers, including **Anshuman Kumar, Satya Shankara, Amar Kohli, and Karshini Singh**, who shared their expertise on key topics such as understanding the e-commerce ecosystem, expanding global reach, data-driven decision-making, logistics, and regulatory compliances.

Key Highlights of the Session:

- **Understanding the E-commerce Ecosystem:** An introduction to the essential components supporting e-commerce exports.
- **Expanding Global Reach:** Strategies to expand Indian SMEs' visibility in global markets through e-commerce platforms.
- **Logistics and Supply Chain:** Addressing challenges and solutions in e-commerce logistics and fulfillment.
- **Regulatory and Financial Guidance:** Insight into regulations, FEMA guidelines, and cross-border payment reconciliation.
- **Case Studies and Success Stories:** Practical examples demonstrating successful e-commerce ventures.

The speakers provided valuable guidance, offering MSMEs actionable insights to tap into international markets through e-commerce. The session emphasized the increasing importance of e-commerce in helping India achieve its goal of \$2 trillion worth of goods and services exports by 2030. The interactive Q&A session facilitated discussions around individual challenges and opportunities.

PROJECT QATAR

FICCI CMSME, in collaboration with the Ministry of Micro, Small and Medium Enterprises, Government of India, proudly participated in Project Qatar 2024, which took place from May 27 to May 30, 2024, at the Doha Exhibition & Convention Centre. This prominent event, now in its 20th edition, provided a significant platform for 20 Indian SMEs from the construction and related industries to showcase their products and services. The Indian Pavilion, inaugurated by Indian Ambassador to Qatar, Shri Vipul, served as a vibrant hub for exploring business opportunities not only within the Qatari market but also across the broader Middle East region. Shri Vipul's inauguration underscored the event's importance, as he encouraged Qatari businesses to engage with Indian exhibitors to foster collaborations and strengthen ties in the construction and manufacturing sectors.

Project Qatar is renowned for being one of the premier business exhibitions specializing in construction and related industries. The 2024 edition attracted over 327 exhibitors and more than 20,160 visitors. Spanning 18,000 square meters, the exhibition featured global participation from around 25 countries, including Qatar, India, Russia, Germany, Italy, Pakistan, Iran, China, Lebanon, Saudi Arabia, and Turkey, among others. Additionally, 12 international pavilions highlighted the event's extensive global reach and significance.



GATEWAY TO GLOBAL TRADE: FREEDOM OF DOING BUSINESS YOUR WAY



FICCI CMSME, in collaboration with the **Sharjah Airport International Free Zone (SAIF Zone)**, organized an Interactive Session titled "**Gateway to Global Trade: Freedom of Doing Business Your Way**" on May 31st, 2024. The session provided an in-depth exploration of the lucrative business opportunities in the Middle East and Africa, specifically focusing on the advantages of establishing businesses in the UAE.

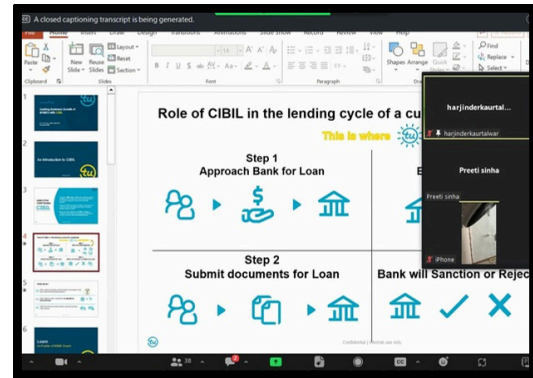
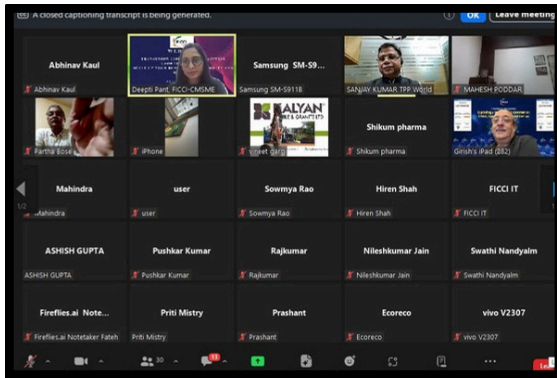
The session featured esteemed speakers, **H.E. Saud Salim Al Mazrouei, Director of Hamriyah Free Zone Authority (HFZA) and SAIF Zone**, and **Mr. Raed Bukhatir, Commercial Director, SAIF Zone, Government of Sharjah, UAE**. They highlighted the immense potential of the SAIF Zone as a gateway for Indian SMEs and global enterprises seeking to expand their operations internationally.

Key Highlights of the Session:

- **Introduction to SAIF Zone:** Established in 1995, SAIF Zone is the world's first ISO 9001 certified Free Zone and the first free zone area within an international airport in the UAE.
- **Business Benefits:** 100% foreign ownership, repatriation of capital and profits, tax exemptions, sponsorship and visas for all staff, and a one-stop-shop service for permits and licenses.
- **Global Presence:** SAIF Zone hosts over 8,000 companies from 160 different countries across sectors such as IT, media, consumer durables, and manufacturing.
- **Competitive Edge:** Easy business setup with state-of-the-art infrastructure, 24x7 operational freedom, and no import/re-export duties.

This session served as a testament to the growing appeal of the SAIF Zone as a destination for SMEs and multinational corporations alike, showcasing how businesses can take advantage of the region's thriving economic landscape.

NATIONAL WEBINAR TRANSUNION CIBIL : PAVING THE WAY FOR BUSINESS GROWTH FOR MSMEs



The session featured industry experts from TransUnion CIBIL, Preeti Sinha and Punitpal Anand, who provided valuable insights into the pivotal role of CIBIL in the credit cycle and its influence on both individuals and businesses, particularly MSMEs conducted on 2nd August, 2024. They explained the workings of the CIBIL Score and Credit Information Report (CIR) and how maintaining a healthy score can help individuals and businesses gain easier access to credit.

Key Topics Covered:

- **About TransUnion CIBIL:** A detailed overview of TransUnion CIBIL and its services.
- **Role of CIBIL in the Credit Cycle:** The importance of credit scores and reports in loan approval processes.
- **CIBIL Score:** Understanding what a CIBIL Score is and how it affects creditworthiness.
- **CIBIL Rank:** A comprehensive explanation of the CIBIL Rank and the Company Credit Report (CCR), outlining what the report contains and its significance for businesses.
- **Advantages of Healthy CIBIL Scores and Ranks:** How maintaining good credit health benefits individuals and MSMEs, making it easier to obtain financing.
- **Busting Myths:** Common misconceptions about CIBIL Scores and Ranks were addressed and clarified.

Additionally, the session emphasized how CIBIL Rank provides businesses with a quantifiable measure of their credit health, enabling them to present a stronger case to potential lenders. The speakers also highlighted the positive impact of healthy financial behavior on improving credit scores, ensuring better access to capital for growth. Practical examples were shared to demonstrate how MSMEs could leverage their CIBIL Scores and Ranks to secure funding for expansion and operations, significantly enhancing their competitiveness in the market. The session concluded with an engaging Q&A, where participants had the opportunity to discuss their specific credit-related concerns.

CMSME NEWSLETTER

MSME NEWS AND VIEWS

The **FICCI CMSME monthly newsletter** is designed to inform and empower MSMEs by delivering timely and relevant information on key trends, policies, and opportunities in the MSME sector. Its purpose is to serve as a vital resource for small and medium-sized enterprises, offering updates on government initiatives, financial solutions, digital tools, and global market trends that can help businesses grow and succeed.

In addition to offering practical updates, the newsletter aims to inspire innovation among MSMEs by showcasing cutting-edge developments in areas like artificial intelligence, fintech, and e-commerce. By providing actionable insights on how these technologies can enhance business operations, streamline processes, and unlock new revenue streams, the newsletter encourages MSMEs to embrace digital transformation.

It also covers emerging topics like sustainable business practices and impact-driven entrepreneurship, helping MSMEs remain competitive in a market that increasingly values environmental and social responsibility. The newsletter also serves as a platform to spotlight innovative financing models, such as micro-factoring and crowdfunding, providing MSMEs with alternatives to traditional funding sources. It aims to highlight the latest advancements in digital infrastructure and e-commerce, enabling businesses to tap into the global marketplace with confidence. Additionally, the newsletter features case studies of successful MSMEs, offering inspiration and practical insights that can be applied across the sector.

Moreover, it emphasizes collaboration by promoting partnerships between MSMEs and larger enterprises, financial institutions, and international trade bodies. These partnerships not only provide MSMEs with access to financing and markets but also facilitate knowledge exchange and foster innovation. The newsletter underscores the importance of networking and mentorship in helping MSMEs overcome challenges and scale their businesses.

The motive is to foster a supportive ecosystem where MSMEs can thrive through access to crucial information, networking opportunities, and strategic partnerships. Through these efforts, FICCI CMSME promotes technology adoption, encourages cross-border trade, and advocates for favorable policies that facilitate growth. The newsletter's ultimate goal is to contribute to India's economic development by promoting a strong and resilient MSME sector that drives innovation, job creation, and sustained growth.

FICCI CMSME MSME NEWS AND VIEWS

NEWSLETTER

JUNE 2024

THE JOURNEY OF MSMEs IN INDIA

JOB CREATION

Challenges

Fiscal Concessions

MSMEs

GROWTH

INSIDE THIS ISSUE

- MSMEs highlight issues in raising capital, seek reforms during pre-budget discussion
- India plans global trade promotion body for MSME exports
- SBI launches 'SME Digital Business Loans' in 45 minutes

FICCI CMSME MSME NEWS AND VIEWS

JULY 2024

MSME jobs in India surpass 20 crore; jump 66% in 12 months

4th July 2024

The total employment reported by MSMEs registered with the MSME Ministry has surpassed 20 crore, according to the Udyam registration portal. As of July 4, 4.88 crore Udyam-registered MSMEs reported 20.19 crore jobs, including 2.32 crore from GST-exempt informal micro enterprises. This marks a 66% increase from 12.1 crore jobs in July last year, with 4.54 crore of these jobs held by women.

Despite this significant rise, the MSME Ministry's annual reports still reference the National Sample Survey (NSS) 73rd round from 2015-16, which reported 11.10 crore jobs in the MSME sector. These included 3.6 crore in manufacturing, 7,000 in non-captive electricity generation, 3.8 crore in trade, and 3.6 crore in other services.

The Finance Ministry's monthly economic report earlier this year highlighted the 5.3-fold increase in MSME employment since the Udyam portal's launch in July 2020, attributing this growth to the revised MSME definition, which has eased business operations and boosted investment and employment. However, job creation by Indian small businesses is expected to slow this year. A CPA Australia survey from May noted that only 67% of Indian small businesses plan to hire new staff this year, down from 86% last year, citing rising costs, competition, and cash flow challenges as major barriers.

Read more at:

<https://www.financialexpress.com/business/sme/msme-jobs-in-india-surpass-20-crore-jump-66-in-12-months/2543412/>

FICCI CMSME MSME NEWS AND VIEWS

MARCH 2024

5th March, 2024

Enforcement of the rule ensuring timely payments to MSMEs set to begin from April 1st.

In the upcoming financial year 2025, the government is set to enforce a crucial rule aimed at ensuring prompt payments to micro, small, and medium enterprises (MSMEs). As per the provisions outlined in the Finance Act of 2023, payments to the MSME sector must be settled within a 45-day window, effective from April 1, 2024.

MSME'S

MSME 45-DAY PAYMENT RULE

Under this amendment, if companies neglect to make payments within the stipulated timeframe, the unpaid amount will be added to their profit, subject to taxation. This initiative is designed to bolster cash flow for MSMEs and promote timely remittances, thereby ensuring smoother operations within the sector. The new rule underscores that deductions for tax, duty, cess, and other payments to the government can only be claimed by employers when payments to MSMEs are actually disbursed, irrespective of when they were accrued or incurred.

This move aims to foster financial discipline and accountability while safeguarding the interests of MSMEs, which play a crucial role in driving economic growth and employment generation.

Read more at:

<https://www.moneycontrol.com/news/business/economy/timely-payments-to-msmes-rule-to-be-enforced-from-april-1-finance-officials-12404621.html>

www.ficci-cmsme.com

FICCI CMSME MSME News & Views

January 2024

SME IPOs saw a massive triple-digit subscription on the final day of bidding

30 January 2024

On January 30, 2024, the small and medium enterprises (SME) community continued to attract a lot of interest from investors. IPOs continued to see a massive triple-digit subscription on the final day of bidding. Among others, Megathern Induction, and Harshdeep Hortico IPOs saw fully subscribed on the second day of bidding.

Read More:

<https://www.moneycontrol.com/news/business/ipos/sme-subscribed-511-times-docmode-health-2024-delaplex-163k-on-final-day-1215827.html>

| | | | |
|--|--|--|---|
| The Fonebox Retail IPO | Docmode Health Technologies IPO | The Delaplex IPO | Megathern Induction IPO |
| The biggest public issues closing, subscribing 611.32 times on support from across categories of investors who have bought 127.4 crore equity shares of the company against the offer size of 20.84 lakh shares. | Provides integrated learning solutions for healthcare professionals and learners, also attracted strong interest from investors, who picked 17.15 crore equity shares against the offer size of 8.5 lakh shares. | Oversubscribed by 165.19 times on the final day of subscription. Investors bought 28.36 crore equity shares against issue size of 17.17 lakh shares. | Subscribed 51.83 times on January 30, the second day of bidding, as investors bought 18.5 crore equity shares against an IPO size of 35.7 lakh equity shares. |

Empowering MSMEs

FICCI CMSME MSME News & Views February 2024

MSME's see uptrend in payment delays, highlighting growing concerns in financial stability
06 February 2024

In November 2023, MSMEs of India encountered a concerning trend of delayed payments to their lenders, underscoring potential strains on their cash flows. According to MSME Sampark report, a collaborative effort between U-GRO Capital and Dun & Bradstreet, there was a noticeable uptick in average payment delays experienced by businesses. Particularly alarming was finding that micro-enterprises faced an average delay of over 90 days in receiving payments during this period. This trend coincides with latest bank credit data released by RBI, which revealed significant growth in bank credit to Non-Banking Financial Companies (NBFCs) in December 2023, increase from Rs 13.21 lakh crore in the preceding year.

Read more:
<https://www.moneycontrol.com/news/business/msme-see-uptrend-in-payment-delays-report-12189811.html>

45 Day Payment Rule
Introduced in the 2023 Finance Act, Section 43B (h) of the Income Tax Act mandates buyers to settle payments to registered MSMEs within 45 days of delivery of goods or services. Any outstanding amount beyond this period is considered income for the buyer, subject to tax.

Impact on MSME Payments
This rule aims to address the chronic issue of delayed payments to MSMEs, a major hurdle to their growth and financial stability. By incentivizing timely payments through tax implications, the rule has the potential to improve cash flows, reduce disputes and boost financial health.

Challenges and Concerns
However, the implementation of Section 43B(h) presents several challenges:

- Disruption in established credit periods.
- Compliance burden.
- Unintended consequences.

Jan-24

FICCI CMSME MSME NEWS AND VIEWS APRIL 2024

MODIFI
Modern Digital Trade Finance

23rd April 2024

Fintech unicorn Yubi forges strategic alliance with Europe's MODIFI, with a focus on streamlining capital access for Indian MSMEs.

Fintech unicorn Yubi has announced a strategic collaboration with MODIFI, a prominent B2B fintech firm in Europe, marking Yubi Group's entry into cross-border trade financing.

Read more at:
<https://www.businesstoday.in/international/story/fintech-unicorn-yubi-enters-into-strategic-partnership-with-europe-modifi-to-make-trade-finance-access-to-critical-sectors-12197076-2024-04-23>

By leveraging technology and innovation, Yubi Group and MODIFI aim to revolutionize cross-border trade to revitalize Indian SMEs and finance, empowering them to thrive globally. The collaboration will provide Indian mid-sized corporates to thrive globally. The collaboration will provide Indian exporters and importers with access to secure, uncollateralized funding for international transactions, alleviating the challenge of collateral requirements. This financing approach offers up to 80% of the invoice value, enabling businesses to strengthen their global engagements. Moreover, real-time insights into the creditworthiness of global trading counterparts will help navigate market risks and seize international opportunities effectively.

Yubi Group's Founder and CEO, Gaurav Kumar, highlighted the partnership's ability to address key challenges faced by Indian companies in international trade.

FICCI CMSME MSME NEWS AND VIEWS JUNE 2024

MSMEs highlight issues in raising capital, seek reforms during pre-Budget discussion with FM
21st June 2024

The Federation of Indian Micro and Small & Medium Enterprises (FISME) chairman, Sandeep Jain, urged Finance Minister Nirmala Sitharaman to review the Special Mention Accounts (SMA) framework and provide liberal restructuring options for MSMEs. During the pre-budget discussions on June 21, MSMEs highlighted challenges in raising capital and called for reforms in bank loan rating and NPA (non-performing assets) classification policies.

Read more at:
<https://www.moneycontrol.com/news/business/fisme-chairman-sandeep-jain-urges-fm-to-review-sma-framework-1219796.html>

The Reserve Bank of India's NPA classification policy categorizes accounts with over Rs 5 crore exposure into SMA-0, SMA-1, and SMA-2 based on the duration of overdue payments. Jain argued that the current SMA framework often leads to unnecessary panic and operational disruptions, labeling accounts as problematic prematurely.

Jain also criticized the bank loan rating system for MSMEs, pointing out that few MSMEs achieve investment grade ratings, resulting in higher interest rates and additional collateral demands. He noted that rating agencies, originally meant for listed companies, are using inappropriate criteria for MSMEs, affecting their access to affordable capital. Jain's recommendations aim to alleviate the financial strains on MSMEs exacerbated by long Covid impacts and geopolitical issues.

FICCI CMSME MSME News & Views February 2024

New RBI Mandate requires Key Fact Statement (KFS) For retail and MSME borrowers bolstering transparency
08 February 2024

RBI has introduced a pivotal initiative aimed at enhancing transparency and empowering consumers in the financial realm. As part of this endeavour, the mandate entails the issuance of a Key Fact Statement (KFS) for retail and MSME loans. This statement serves as a beacon of clarity, succinctly encapsulating crucial details such as cumulative charges and interest levied by lenders. The essence of the KFS lies in its simplicity and comprehensibility. The KFS must include all must-know details of the loan in a template format for the borrower. It should mention the Annual Percentage Rate, processing fees, penalties, various loan charges, etc., by presenting vital loan particulars in an easily digestible format, it empowers borrowers to make informed decisions.

Read More:
<https://www.fisameit.com/2024/02/08/rbi-key-fact-statement-kfs-mandate-enhances-transparency-in-lending-for-retail-and-msme-borrowers-11767379936298.html>

Jan-24

Empowering MSMEs

TENDERS NOTICES CIRCULATED BY CMSME

"FICCI CMSME's Role in Facilitating Sri Lanka's Railway Station Development Tender"

- FICCI CMSME played a pivotal role in disseminating information about the Sri Lankan Government's tender for developing Colombo's Main Railway Station Buildings into commercial centers. This initiative aimed to transform underutilized railway lands into vibrant hubs, enhancing commuter experiences and driving economic growth. By leveraging its extensive network, FICCI CMSME facilitated the submission of Expressions of Interest (EOI) from Indian organizations, assisting them in understanding the project requirements and benefits. This support underscored FICCI CMSME's commitment to fostering international collaboration and sustainable development, helping Indian firms engage in significant global projects and contribute to economic progress in both Sri Lanka and India.

"FICCI CMSME's Facilitation of the Tomato Paste Supply Tender"

- FICCI CMSME actively promoted the Sri Lankan Catering Ltd's invitation for bids on Tomato Paste A10 for the 2024-2025 contract period, presenting a significant opportunity for food industry suppliers. By informing potential Indian bidders about the tender requirements and submission processes, FICCI CMSME underscored its role in facilitating international trade. Its support helped Indian suppliers navigate the complexities of international tenders, contributing to the growth and sustainability of the food supply sector.

"FICCI CMSME's Role in Facilitating Sri Lanka's Medical Supply Tenders"

- FICCI CMSME actively promoted the State Pharmaceuticals Corporation of Sri Lanka's international tenders for critical medical items for the 2024-2025 period, offering substantial opportunities for pharmaceutical manufacturers and suppliers. By ensuring Indian bidders were well-informed about the tender requirements and submission procedures, FICCI CMSME facilitated access to these significant procurement opportunities. This support highlighted FICCI CMSME's commitment to fostering international trade, helping Indian pharmaceutical companies navigate the complexities of international tenders and contributing to the growth of the healthcare supply chain in the region.

"FICCI CMSME Streamlines Tender Process for Harbour Tug Charter, Enhancing Opportunities for Indian Firms"

- The tender for the Time Charter of Two Harbour Tugs was floated by FICCI CMSME to various potential organizations in India. This initiative increased the visibility of the opportunity among Indian companies and provided them with support throughout the tender process. Additionally, FICCI CMSME played a crucial role in facilitating communication between Indian bidders and the Sri Lanka Ports Authority, ensuring a smooth and efficient tender process.

"FICCI CMSME's Promotion of International Tenders in Sri Lanka's Infrastructure and Energy Sectors"

- FICCI CMSME played a crucial role in promoting international business opportunities for Indian enterprises by disseminating information about multiple tenders from Sri Lanka's infrastructure and energy sectors. These tenders sought various services including consultancy for port development, pipeline integrity assessment, and supply of specialized equipment for petroleum facilities. This initiative underscores FICCI CMSME's commitment to connecting Indian enterprises with niche industrial segments abroad, facilitating their participation in the development and maintenance of vital infrastructure in neighboring countries.

"Facilitating Global Opportunities: Dissemination of International Tender Notice by FICCI CMSME"

- FICCI CMSME has continued its commitment to facilitating vital opportunities for MSMEs and businesses by actively managing and disseminating international tenders. Notably, we played a crucial role in the dissemination of the International Tender Notice issued by Lanka Mineral Sands Limited, a prestigious entity under the Government of Sri Lanka. This tender, a significant opportunity for organizations across India, was meticulously floated by FICCI CMSME to various potential organizations, ensuring that relevant stakeholders had access to and could engage with this opportunity effectively. Our service of floating such tenders underscores FICCI CMSME's dedication to enhancing business prospects and fostering international trade connections for Indian MSMEs. By streamlining the dissemination process and providing detailed briefings on tender requirements, we support organizations in navigating and capitalizing on global opportunities.

“FICCI CMSME Facilitates Key Global Tender: KenGen's Advanced Drilling Rig Supply and Installation”

- FICCI CMSME has actively facilitated global business opportunities by managing and disseminating international tenders. Another notable instance is the International Tender for the supply, installation, and commissioning of a new 2000 HP VFD electric land drilling rig with top drive and associated equipment by KenGen. This significant tender, representing a major opportunity for organizations in India, was carefully floated by FICCI CMSME to relevant potential organizations, ensuring effective outreach and engagement. This service exemplifies FICCI CMSME’s dedication to enhancing business opportunities and fostering international trade connections for Indian MSMEs.

KNOWLEDGE PAPERS

FICCI REPORT ON SMEs IN INDIA



FICCI, in collaboration with IPSOS, conducted a comprehensive market research study to address the issues and challenges faced by small and medium enterprises (SMEs) in India's manufacturing sector. The study aimed to explore critical aspects such as financing, compliance, digitalization, and sustainability. Utilizing a mixed-method approach, including quantitative surveys and qualitative interviews with SME owners, key decision-makers, and industry experts, the research covered seven sectors and engaged 610 respondents through face-to-face interviews and focus groups in Agra, Rourkela, and Chennai. The findings provide valuable insights into the pressing challenges and opportunities for SMEs in the evolving landscape of digitalization and sustainability.

INPUTS SUBMITTED TO THE GOVERNMENT

"Enhancing MSME Cash Flow and Liquidity: FICCI CMSME's Insights and Recommendations on the 45-Day Payment Rule under the Finance Act, 2023"

Following the enactment of the Finance Act, 2023, effective from April 1, FICCI CMSME engaged extensively with more than 5,000 MSMEs and over 250 Local Chambers and Associations across India to gather industry insights. The introduction of clause (h) under Sec. 43B(h), mandating a 45-day payment rule, was recognized as a transformative move by the Government of India. This initiative was widely appreciated for its potential to significantly enhance the cash flow and liquidity of MSMEs, which frequently struggle with delayed payments, causing working capital challenges.

While the law was acknowledged as a positive step towards streamlining payment mechanisms for MSMEs, FICCI CMSME also noted the importance of ensuring that the concerns of all stakeholders were considered for its successful implementation. To support this, FICCI CMSME consolidated collective feedback from its members to address potential challenges and submitted it to the Ministry of MSME and the Ministry of Finance for further deliberation. Below are the key opinions and recommendations gathered from the industry for the government's consideration:

- **Phased Implementation:** While the awareness amongst the traders is not there, with the timeline of 45 days, may not be sufficient for those not aware of the change. Also, several industries and sectors are extremely fragmented and informal in nature, hugely dependent on intra-sector credit support and do not enjoy credit facilities provided by the formal banking sector. The normal credit period in the industry ranges from 90 to 120 days, often extending to 180 days. Considering the above, it may be apt to consider implementing the same in a phased manner, for receiving payments from buyers to a maximum period of 90 days for FYI 2024-25, 60 days for FYI 2025-26 and reducing it to 45 days by FYI 2026-27. Implementing the rule in phases will allow the businesses time to adapt, can ease the transition and minimize disruptions.
- **Consistency:** It will be necessary to consider that every assessment of income tax including manufacturers, traders and exporters are covered under the act.
- **Clarity:** Clear definitions and consistent interpretation are crucial to avoid ambiguity and disputes. The interpretation of "written agreements" could lead to disputes between suppliers and buyers. This ambiguity creates uncertainty and hinders smooth business transactions.

- **Technological Solutions:** The rule requires robust internal systems for large companies to track invoices and ensure timely payments. Although utilizing technology can simplify compliance and streamline payment processes for both MSMEs and large companies, but implementing such systems can be time-consuming and expensive, especially for smaller businesses. Hence, phased implementation can also help in allowing time for this degradation.
- **Effective Dispute Resolutions:** Establishing efficient mechanisms for resolving disputes arising from the rule's implementation is essential. In this FICCI has a leading body under its aegis, which is Indian Arbitration Council (ICA), established in 1965 as a specialized arbitral body at the national level under the initiatives of the Govt. of India and apex business organizations like FICCI etc. Based in New Delhi, the main objective of ICA is to promote amicable, quick, and inexpensive settlement of commercial disputes by means of arbitration, conciliation, regardless of location. It will be happy to provide all necessary guidance and amicable dispute resolution, for smooth implementation of the Act.

The 45-day MSME payment rule surely presents both challenges and opportunities. While navigating the initial hurdles might be difficult, the potential benefits for MSMEs and the overall business ecosystem cannot be ignored. By addressing concerns, ensuring clarity, and leveraging technology, stakeholders can work towards a future where timely payments empower MSMEs and contribute to a more equitable and prosperous business environment.

REPRESENTATION IN GOVERNMENT COMMITTEES

- Represented as a member in the 4th Project Monitoring and Advisory Committee (PMAC) meeting held on 13.06.2024, under the chairmanship of AS & DC (MSME) for implementation of "MSME Sustainable (ZED) Certification Scheme".
- Represented as a member in the 6th Meeting of the Project Monitoring and Advisory Committee (PMAC) of MSME Competitive(Lean) Scheme of Ministry of MSME, held on 07.05.2024 at 1500 hrs in Committee Room, O/o DC(MSME) Nirman Bhawan, New Delhi under the Chairmanship of Additional Secretary & Development Commissioner (MSME).
- Represented as a member in the 5th Technical Working Group (TWG) meeting of MSME-UNIDO GEF CST Project "Promoting Business Model for increasing penetration and scaling up of solar energy in India.
- Represented as a member in the 6th Meeting of the Project Monitoring and Advisory Committee (PMAC) of MSME Competitive(Lean) Scheme of Ministry of MSME, held on 22.04.2024 at 1530 hrs in Committee Room, O/o DC(MSME) Nirman Bhawan, New Delhi under the Chairmanship of Additional Secretary & Development Commissioner (MSME).
- Represented as a member in 7th Project Monitoring and Advisory Committee (PMAC) Meeting of "MSME Innovative Scheme" a component of MSME Champions Scheme under the Chairmanship of AS&DC (MSME) scheduled to be held on 15.02.2024 at 3.30 PM.

ANNEXURE 1

Members of the Conferderation of the Micro Small and Medium Enterprises

| ASSOCIATE MEMBERS | | | |
|-------------------|---|------|---|
| S.NO | Company Name | S.NO | Company Name |
| 1 | Intech Forge India Private Limited | 2 | Durofibretex |
| 3 | Vichitra Exports | 4 | India Factoring and Finance Solution P. Ltd. |
| 5 | Microchem Products (India) Pvt. Ltd. | 6 | Nutrex Nutraceuticals |
| 7 | Sag Infotech Private Limited | 8 | Sai Industrial Alliances Pvt. Ltd. |
| 9 | Auropol India Pvt. Ltd. | 10 | Silkasia Exports Private Limited |
| 11 | Guruji Enterprises Pvt. Ltd. | 12 | Spinak Engineering Co |
| 13 | Heat Chem Engineers Private Limited | 14 | ProcessVenue-Predusk Technology Pvt. Ltd. |
| 15 | Prince Golden Ventures Pvt Ltd. | 16 | Ancor Research Labs LLP |
| 17 | Rajiv Engineers | 18 | Monitoring Technologies |
| 19 | S Diamond Tools | 20 | Eltech Services Pvt. Ltd. |
| 21 | Pioneer One Consulting LLP | 22 | Smart Soft India Solutions (P) Ltd. |
| 23 | Raspian Enterprises Pvt Ltd. | 24 | U Liva Nutrition LLP |
| 25 | Nessa Illumination Technologies Pvt Ltd | 26 | Spinak Engineering Co |
| 27 | R S Barcoders Pvt. Ltd. | 28 | Blue Ray Aviation Private Limited |
| 29 | Glatt (India) Engineering Pvt. Ltd. | 30 | Aerotrans Services Private Limited |
| 31 | Baltic Testing India Pvt. Ltd. | 32 | Apex Cluster Development Services Private Limited |
| 33 | Kaustav Engineering | 34 | Dwarka Gems Limited |
| 35 | Delta Energy Nature | 36 | SME Consulting Private Limited |
| 37 | Seagull International LLP | 38 | Semco Infratech Private Limited |
| 39 | Prasad Crilec Automation Pvt. Ltd. | 40 | N.K. Bhargava & Co. |
| 41 | Astramar Shipping And Trading Services | 42 | Hindustan Foreign Traders |
| 43 | Atharva Lifesciences Consulting Pvt. Ltd. | 44 | ELT Corporate Private Limited |
| 45 | Bio India Interventional Technologies Pvt. Ltd. | 46 | Gujarat Polyplast Private Limited |
| 47 | Caltech Engg. Co. (P) Limited | 48 | Shubh Consultancy |
| 49 | CSA Consultancy & Agencies | 50 | M/S UMAR JAN WANI |

| ASSOCIATE MEMBERS | | | |
|-------------------|---|------|--|
| S.NO | Company Name | S.NO | Company Name |
| 51 | Todi Rubber Ind. Pvt. Ltd. | 52 | Gooddot Enterprises Private Limited |
| 53 | Quickwork Technologies Private Limited | 54 | Atlas- Integrated Finance Limited |
| 55 | Symtronics Automation Pvt. Ltd. | 56 | Endosys Technologies Pvt Ltd |
| 57 | Mikura International | 58 | Osworld Scientific Equipments Pvt. Ltd |
| 59 | Snehal Pharma and Surgicals Pvt. Ltd. | 60 | Hitech Magnetics and Electronics Pvt. Ltd. |
| 61 | Jasvant B Shah | 62 | Exper Brands LLP |
| 63 | APS Consultancy Private Limited | 64 | Axiom Visual Communications Private Limited |
| 65 | NMT Engineering & Services Pvt. Ltd. | 66 | AI Tehene Enterprises Private Limited |
| 67 | Cygnnet Infotech Private Limited | 68 | Aviatech Enterprises Private Limited |
| 69 | RSB Cottex Ltd | 70 | Clearly Blue Digital Private Limited |
| 71 | Silkasia Exports Private Limited | 72 | Ganesh Decor India Private Limited |
| 73 | Data X Gen Technologies Private Limited | 74 | TBS Forever Retails Pvt Ltd |
| 75 | Soulace Consulitng Private Linted | 76 | Debug Services |
| 77 | Nidus Enterprises Private Limited | 78 | Pegasus Corporation |
| 79 | Vihang Adcon Pvt. Ltd. | 80 | INGSOL LLP |
| 81 | Hotel Castle Mandawa Pvt. Ltd. | 82 | Divine Tradex |
| 83 | Er P.K. Jain | 84 | Hemkunt Exports |
| 85 | CSA Consultancy & Agencies | 86 | Sahaj International |
| 87 | Fulcrum Social Solutions LLP | 88 | Vision Invest Tech Pvt Ltd |
| 89 | Sanvaru Technology | 90 | Aleph Accreditation and Testing Centre Private Limited |
| 91 | Aurelio Solutions | 92 | Total People Productivity Pvt Ltd |
| 93 | Balaji Inks and Chemicals Pvt. Ltd. | 94 | Bloomingsun |
| 95 | Kirkas Tech Ventures Private Limited | 96 | Nitrodynamics Aerospace & Defence Pvt Ltd |
| 97 | Ojas Art | 98 | VISHWAKARMA SHILP KARYALAY PVT LTD |
| 99 | Microvista Technologies Pvt. Ltd. | 100 | Travel India Tourism |
| 101 | Paresh Process | 102 | Zeus Numerix Pvt Ltd |
| 103 | ACKERLAND TRAVEL SOLUTIONS PVT LTD | 104 | PUSHCO INTERNATIONAL PVT LTD |
| 105 | UNISTRING TECH SOLUTIONS PVT LTD | 106 | AB Sea Container Pvt Ltd |
| 107 | CHRYSALIS CONSULTING | 108 | Timble Technologies Pvt Ltd |
| 109 | HP Adhesives Ltd | | |

| ASSOCIATION MEMBERS | | | |
|---------------------|-------------------|------|------------------------------------|
| S.NO | Company Name | S.NO | Company Name |
| 1 | IVAMA Association | 2 | Chamber of Industries and Services |

| PATRON MEMBERS | | | |
|----------------|--|------|----------------------------|
| S.NO | Company Name | S.NO | Company Name |
| 1 | Gujarat Enviro Protection & Infrastructure Limited | 2 | ALPS INTERNATIONAL EXPORTS |
| 3 | Power2SME Private Limited | 4 | Soma Blockprinters Pvt Ltd |
| 5 | H K Acharya & Company | | |

FINANCIAL STATEMENTS

| Confederation of The Micro, Small And Medium Enterprises | | | |
|---|----------|---|--------------------------------------|
| Balance Sheet as at 31st March 2024 | | | |
| Particulars | Note No. | As at 31st March 2024 (In Rs.) | As at 31st March 2023 (In Rs.) |
| I. SOURCES OF FUNDS | | | |
| (1) Capital Fund | | | |
| (a) Reserves and Surplus | 1 | 4,438,504 | 5,474,557 |
| TOTAL | | 4,438,504 | 5,474,557 |
| II. APPLICATION OF FUNDS | | | |
| (1) Non-Current Assets | | | |
| (a) Fixed Assets | 2 | 2,109 | 3,365 |
| (b) Investments | 3 | 20,500 | 20,500 |
| | | 22,609 | 23,865 |
| (2) Current Assets, Loans and Advances | | | |
| (a) Cash and Bank Balances | 4 | 3,552,010 | 4,645,246 |
| (b) Other current assets | 5 | 948,993 | 835,539 |
| | | 4,501,003 | 5,480,785 |
| (3) Current Liabilities and Provisions | | | |
| (a) Current Liabilities | 6 | 75,108 | 20,093 |
| (b) Provisions | 7 | 10,000 | 10,000 |
| | | 85,108 | 30,093 |
| Net Current Assets | | 4,415,895 | 5,450,692 |
| TOTAL | | 4,438,504 | 5,474,557 |
| Significant Accounting Policies and notes to accounts | 10 | | |
| In Accordance with our Report attached | | | |
| For C P A & Associates Chartered Accountants Reg. No. 009242N | | For Confederation of The Micro, Small And Medium Enterprises | |
| C.S. Sharma Partner M.No. 084959 | | President | Secretary |
| Place: New Delhi | | | |
| Date: | | | |

Confederation of The Micro, Small And Medium Enterprises
Statement of Income and Expenditure for the year 1st April 2023 to 31st March 2024

| Particulars | Note No. | For the year ended 31st March 2024 (In Rs.) | For the year ended 31st March 2023 (In Rs.) |
|--|----------|---|---|
| I. INCOME | | | |
| Meeting/ Seminar/ Conference | 8 | 400,082 | 3,273,110 |
| Sponsorship Income | | 100,000 | 426,000 |
| Annual Subscription (Inclusive of Admission Fee) | | 1,835,500 | 1,574,500 |
| Interest on Saving Bank & Fixed Deposits | | 261,172 | 212,497 |
| Miscellaneous Income | | 3,835 | 2,070 |
| TOTAL (I) | | 2,600,589 | 5,488,177 |
| II. EXPENDITURE | | | |
| Meeting/ Seminar/ Conference | 9 | 161,811 | 219,209 |
| Establishment & Admin Expenses | | 3,277,615 | 3,581,744 |
| Depreciation | | 1,256 | 2,067 |
| Audit Fees | | 10,000 | 10,000 |
| Professional charges | | 183,000 | 165,500 |
| Other Expense | | 2,960 | 13,933 |
| TOTAL (II) | | 3,636,642 | 3,992,453 |
| Surplus/ (Deficit) for the year transferred to Balance Sheet (I-II) | | (1,036,053) | 1,495,724 |

In Accordance with our Report attached

For C P A & Associates
Chartered Accountants
Reg. No. 009242N

For Confederation of The Micro, Small
And Medium Enterprises

C.S. Sharma
Partner
M.No. 084959

President

Secretary

Place: New Delhi
Date:

Confederation of The Micro, Small And Medium Enterprises
Notes forming part of the financial statements

Note 1 - Reserves and Surplus

| Particulars | As at 31st March 2024 (In Rs.) | As at 31st March 2023 (In Rs.) |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Balance as per Last Balance Sheet | 5,474,557 | 3,978,833 |
| Surplus/ (Deficit) for the year | (1,036,053) | 1,495,724 |
| Closing Balance | 4,438,504 | 5,474,557 |

Note 3-Investments

| Particulars | As at 31st March 2024 (In Rs.) | As at 31st March 2023 (In Rs.) |
|--|--------------------------------------|--------------------------------------|
| Investment in non trade Shares | | |
| FLO Industrial Park (2,050 shares @ Rs. 10/- each) | 20,500 | 20,500 |
| Total | 20,500 | 20,500 |

Note 4-Cash and Bank Balances

| Particulars | As at 31st March 2024 (In Rs.) | As at 31st March 2023 (In Rs.) |
|---|--------------------------------------|--------------------------------------|
| i) Cash in hand | - | - |
| ii) Balance with Bank : | | |
| In Savings Account - Punjab National Bank | 552,010 | 1,645,246 |
| In Fixed Deposits with Punjab National Bank | 3,000,000 | 3,000,000 |
| Total | 3,552,010 | 4,645,246 |

Note 5-Other Current Assets

| Particulars | As at 31st March 2024 (In Rs.) | As at 31st March 2023 (In Rs.) |
|------------------------|--------------------------------------|--------------------------------------|
| Tax Deducted at Source | 219,417 | 264,624 |
| Sundry Debtors | 2,050 | - |
| GST Input Receivable | 727,526 | 570,914 |
| Total | 948,993 | 835,539 |

| Confederation of The Micro, Small And Medium Enterprises | | | | | | | | | |
|---|----------------------------|------|-------------------------|---------------------------|--------------------|-------|--------------|---------------------------|-------------------------|
| Notes forming part of the financial statements | | | | | | | | | |
| Note - 2 Statement of Fixed Assets as on 31st March, 2024 | | | | | | | | | |
| S.No | Particulars | Rate | W.D.V. as on 01-04-2023 | Additions during the year | | Sales | Total | Depreciation for the year | W.D.V. as on 31-03-2024 |
| | | | | More than 180 Days | Less than 180 Days | | | | |
| 1 | Office Equipment (Printer) | 15% | 360 | | - | - | 360 | 54 | 306 |
| 2 | Computer | 40% | 3,005 | | - | - | 3,005 | 1,202 | 1,803 |
| | Total | | 3,365 | - | - | - | 3,365 | 1,256 | 2,109 |
| | Previous year | | 5,432 | - | - | - | 5,432 | 2,067 | 3,365 |

| Confederation of The Micro, Small And Medium Enterprises | | | |
|--|--------------------------------|--------------------------------|--|
| Notes forming part of the financial statements | | | |
| Note 6-Current Liabilities | | | |
| Particulars | As at 31st March 2024 (In Rs.) | As at 31st March 2023 (In Rs.) | |
| Subscription fee received in advance | 66,500 | 7,000 | |
| Expenses Payable | - | 4,705 | |
| TDS Payable | 8,608 | 8,388 | |
| Total | 75,108 | 20,093 | |
| Note 7-Provisions | | | |
| Particulars | As at 31st March 2024 (In Rs.) | As at 31st March 2023 (In Rs.) | |
| Audit Fee Payable | 10,000 | 10,000 | |
| Total | 10,000 | 10,000 | |

| Note 8 -Meeting /Conference/ Seminar | | |
|---|--|--|
| Particulars | For the year ended 31st March 2024 (In Rs.) | For the year ended 31st March 2023 (In Rs.) |
| ADB Project on India Making SME | - | 3,133,112 |
| Ecosystem Awards 2022 | - | 39,998 |
| Income from Meeting/ Seminar/ Conference | 400,082 | - |
| Webinar Fee | - | 100,000 |
| Total | 400,082 | 3,273,110 |

| Confederation of The Micro, Small And Medium Enterprises | | |
|---|--|--|
| Notes forming part of the financial statements | | |
| Note 9-Meeting /Conference/ Seminar | | |
| Particulars | For the year ended 31st March 2024 (In Rs.) | For the year ended 31st March 2023 (In Rs.) |
| Audio/Video/Photography Expenses | 15,921 | 2,350 |
| Back drop/Banner expenses | 6,840 | 26,920 |
| Lunch/dinner Expenses | 67,210 | 102,825 |
| Media Expenses | 45,000 | 50,000 |
| Meeting/Conference/Seminar | 26,840 | 15,000 |
| Printing & Stationery | - | 1,514 |
| Trophy / Gifts | - | 18,200 |
| Ushers | - | 2,400 |
| Total | 161,811 | 219,209 |

CONFEDERATION OF THE MICRO, SMALL AND MEDIUM ENTERPRISES [CMSME]

NOTE 10

Significant Accounting Policies and Notes to Accounts

1. Significant Accounting Policies

A) Financial Statements

- i. The Financial Statements have been prepared on cash basis, unless otherwise stated elsewhere on generally accepted accounting principles and in accordance with the applicable accounting standards.
- ii. Income from meetings, seminars and conferences are accounted for upon conclusions of the seminars and conferences and amounts incurred / received from conferences which have not concluded are carried over assets / liabilities.
- iii. Income from subscription and delegation fees etc. are accounted for on cash basis, However subscription received in advance pertaining to the next year is carried forward.
- iv. Income from sponsorship fees and expenditure on salaries and space charges are accounted to the extent intimation is received.

B) Fixed Asset

Fixed Assets are valued at historical cost less depreciation.

C) Depreciation

Depreciation on fixed assets has been provided on the written down value basis as per rates prescribed under the Income Tax Act, 1961 and the rules made thereunder.

2. Notes:

- a) Balance standing to debit / credit in parties account are subject to independent confirmation.
- b) Establishment & Admin Charges of Rs. 32,77,615/- includes salary & related expenses of various personnel working for Confederation of the Micro, Small and Medium enterprises (CMSME).
- c)
 - i) Confederation of the Micro, Small and Medium enterprises (CMSME) is a society registered under Societies Registration Act, 1860 on November 27, 2013 with the office of Registrar of Societies, Govt. of NCT of Delhi, Delhi.
 - (ii) As per the terms of the Memorandum of Understanding executed at New Delhi the objects of the confederation shall solely be the advancement of charitable objects as listed in section 20 of the Societies Registration Act, 1860 more elaborately mentioned as under:
 - To promote development of MICRO SMALL AND MEDIUM ENTERPRISES [MSMEs] and for this purpose take such steps as are necessary particularly in the areas of infrastructure, finance, taxation, procurement, integral and foreign trade.

☐ To take all steps by lawful means that may be necessary in promoting and supporting legislations to create public opinion for suitable legislation and / or amendment of existing law or other action affecting the MSMEs.

☐ To collect and disseminate statistical and other information for the use of business.

☐ To convene, when thought necessary, conferences, seminars, capacity building and mentoring programmes, etc. on subjects of interests to MSMEs at such place and such time as may be determined.

☐ To diffuse useful knowledge and to promote quality consciousness amongst manufacturers and dealers and work for improved quality standards of products produced by MSMEs.

☐ To organise and participate in national and international exhibitions concerned with MSMEs.

d) The Confederation has been conferred registration under section 12A of the Income Tax Act, 1961 vide letter NO.CIT (E)2015-16 DEL-CR24834-21122015/5408 dated 21/12/2015 with effect from assessment year 2016-17 (Financial year-2015-16). In view of this, Provision for Taxation has not been considered necessary.

This registration has been renewed as per the new provision under section 12AB on 28-05-2021 with effect from assessment year 2022-23 to assessment year 2026-27.

The year-wise detail of Tax Deducted at Source of Rs. 2,19,417/- on 31-03-2024 are

e) as under:

| Sl. No. | Financial Year | Amount (in Rs.) | Status of Refund |
|---------|----------------|-----------------|------------------|
| 1 | 2014-2015 | 56,821.00 | Pending |
| 2 | 2022-2023 | 1,00,603.00 | Pending |
| 3 | 2023-2024 | 61,993.00 | - |

f) Previous year figures have been rearranged / regrouped wherever considered necessary.

| | | |
|-----------------------------------|---|------------------|
| For C P A & Associates | For Confederation of The Micro, Small And Medium Enterprises | |
| Chartered Accountants | | |
| Reg. No.: 009242N | | |
| C.S. Sharma | President | Secretary |
| Partner | | |
| M. No.: | | |
| 084959 | | |
| Place: New Delhi | | |
| Date: | | |